

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
CONSUMER SERVICES DIVISION**

IN THE MATTER OF DETERMINING  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:

NO. C-04-051-04-CO01

SANTIAM MORTGAGE CORPORATION, and  
DAVID S. WILLCOX, Owner and Designated  
Broker, and FRANK V. BALL, Owner,  
Respondents

CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Chuck Cross, Division Director, Division of Consumer Services, and Santiam Mortgage Corporation, and David S. Willcox, Owner and Designated Broker, and Frank V. Ball, Owner (hereinafter collectively as Respondents), and finding that the issues raised in the captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-04-051-04-SC01 (Statement of Charges), entered March 22, 2004, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges, entered March 22, 2004.

Based upon the foregoing:

**A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.

CONSENT ORDER

1           **B. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a hearing before  
2 an administrative law judge, and that they have waived their right to a hearing and any and all administrative and  
3 judicial review of the issues raised in this matter, or of the resolution reached herein.

4           **C. Mortgage Broker License.** It is AGREED that Respondents shall immediately surrender their mortgage  
5 broker license. It is further AGREED that Respondents shall immediately provide the Department with a fully  
6 completed "Mortgage Broker Office Closure/License Surrender Form."

7           **D. Affidavit of Non-Activity.** It is AGREED that Respondent David S. Willcox and Respondent Frank V.  
8 Ball shall each immediately provide the Department with a properly notarized Affidavit of Non-Activity, declaring the  
9 date Respondent Santiam Mortgage Corporation ceased operation as a Mortgage Broker in the State of Washington,  
10 and declaring that each Respondent transacted no further business requiring a license from the Department after that  
11 date.

12           **E. Restriction on Participation in the Industry.** It is AGREED that Respondents shall be prohibited from  
13 participating in the conduct of the affairs of any licensed mortgage broker, in the capacity of an officer or principal, for  
14 a period of five (5) years from the entry of this Consent Order. HOWEVER, any time after three (3) years of such  
15 prohibition, either Respondent David S. Willcox or Respondent Frank V. Ball may pay to the Department a fine of  
16 \$6,000.00 in the form of a cashier's check made payable to the "Washington State Treasurer" in order to reduce the  
17 term of the prohibition for all Respondents.

18           **F. Application for Mortgage Broker License.** It is AGREED that Respondents shall not apply to the  
19 Department for any license under any name for a period of five (5) years from the entry of this Consent Order.  
20 HOWEVER, if Respondents choose to reduce their term of prohibition as described in paragraph E, Respondents may  
21 apply to the Department for a license after three (3) years from the entry of this Consent Order.

22           **G. Fine.** It is AGREED that, consistent with paragraph E, should Respondent David S. Willcox or  
23 Respondent Frank V. Ball so choose, at any time after three (3) years from the date of entry of this Consent Order,  
24

Respondent David S. Willcox or Respondent Frank V. Ball may pay to the Department a fine of \$6,000.00 in the form of a cashier's check made payable to the "Washington State Treasurer."

**H. Employment in the Industry.** It is AGREED that paragraphs E, F and G are not intended to restrict Respondent David S. Willcox's or Respondent Frank V. Ball's ability to work as a loan originator or employee in the Mortgage Broker industry, even in the event that such positions become subject to licensure by the Department in the future.

**I. Annual Assessments.** It is AGREED that Respondents shall pay to the Department the delinquent annual assessment of \$500.00 due for the year ended March 31, 2001, in the form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this order.

**J. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an investigation fee of \$286.68, calculated at \$47.78 per hour for six (6) staff hours devoted to the investigation, in the form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this order.

**K. Compliance with the Law.** It is AGREED that Respondents shall comply with the Mortgage Broker Practices Act and the rules adopted thereunder, particularly, the provisions relating to maintenance of records. It is further AGREED that Respondents shall immediately upon entry of this order provide the Department with the fully completed "Mortgage Broker Office Closure/License Surrender Form" which, among other things, indicates the location of its records.

**L. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In the event of such legal action, Respondents may be responsible to reimburse the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

**M. Authority to Execute Order.** It is AGREED that the undersigned have represented and warranted that they have the full power and right to execute this Consent Order on behalf of the parties represented.

1 N. **Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily entered into this  
2 Consent Order, which is effective when signed by the Director's designee.

3 O. **Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read this Consent  
4 Order in its entirety and fully understand and agree to all of the same.

5 **RESPONDENTS:**

6 **Santiam Mortgage Corporation**

7 By:

8  
9 \_\_\_\_\_  
David S. Willcox  
Owner and Designated Broker

\_\_\_\_\_ Date

10  
11 \_\_\_\_\_  
Frank V. Ball, Owner

\_\_\_\_\_ Date

12  
13 \_\_\_\_\_  
David S. Willcox, Individually

\_\_\_\_\_ Date

14  
15 \_\_\_\_\_  
Frank V. Ball, Individually

\_\_\_\_\_ Date

16  
17  
18  
19 THIS ORDER ENTERED THIS 22nd DAY OF June 2004.

20  
21 /s/ \_\_\_\_\_

22 **CHUCK CROSS**  
23 Director and Enforcement Chief  
24 Division of Consumer Services  
Department of Financial Institutions